

**COUNTY OF SAN LUIS OBISPO BOARD OF SUPERVISORS  
AGENDA ITEM TRANSMITTAL**

<b>(1) DEPARTMENT</b> Auditor - Controller - Treasurer - Tax Collector	<b>(2) MEETING DATE</b> 1/14/2014	<b>(3) CONTACT/PHONE</b> Kerry Bailey 788-2979	
<b>(4) SUBJECT</b> Submittal of a compliance audit of the County Clerk-Recorder's implementation and performance of the Social Security Number Truncation Program. All Districts.			
<b>(5) RECOMMENDED ACTION</b> It is recommended that the Board receive the item and file.			
<b>(6) FUNDING SOURCE(S)</b> N/A	<b>(7) CURRENT YEAR FINANCIAL IMPACT</b> \$0.00	<b>(8) ANNUAL FINANCIAL IMPACT</b> \$0.00	<b>(9) BUDGETED?</b> Yes
<b>(10) AGENDA PLACEMENT</b> <input checked="" type="checkbox"/> Consent <input type="checkbox"/> Presentation <input type="checkbox"/> Hearing (Time Est. ____ ) <input type="checkbox"/> Board Business (Time Est. ____ )			
<b>(11) EXECUTED DOCUMENTS</b> <input type="checkbox"/> Resolutions <input type="checkbox"/> Contracts <input type="checkbox"/> Ordinances <input checked="" type="checkbox"/> N/A			
<b>(12) OUTLINE AGREEMENT REQUISITION NUMBER (OAR)</b> N/A		<b>(13) BUDGET ADJUSTMENT REQUIRED?</b> BAR ID Number: <input type="checkbox"/> 4/5 Vote Required <input checked="" type="checkbox"/> N/A	
<b>(14) LOCATION MAP</b> N/A	<b>(15) BUSINESS IMPACT STATEMENT?</b> No	<b>(16) AGENDA ITEM HISTORY</b> <input checked="" type="checkbox"/> N/A    Date: _____	
<b>(17) ADMINISTRATIVE OFFICE REVIEW</b> Nikki J. Schmidt			
<b>(18) SUPERVISOR DISTRICT(S)</b> All Districts -			

# County of San Luis Obispo



TO: Board of Supervisors

FROM: James P. Erb, CPA, Auditor - Controller - Treasurer - Tax Collector

DATE: 1/14/2014

SUBJECT: Submittal of a compliance audit of the County Clerk-Recorder's implementation and performance of the Social Security Number Truncation Program. All Districts.

## **RECOMMENDATION**

It is recommended that the Board receive the item and file.

## **DISCUSSION**

On May 6, 2008, in accordance with California Government Code Section 27361, the Board approved County of San Luis Obispo Ordinance 3148 which authorized an additional fee of \$1.00 for the first page of every instrument, paper, or notice required or permitted by the law to be recorded and directed that the funds generated by the fee be used by the County Clerk-Recorder to implement a social security number truncation (SSN) program. Additionally, the ordinance directed the Auditor-Controller to conduct two reviews of the Clerk Recorder's social security number truncation program. The first review was to be completed by December 31, 2013 and the second review is to be completed by December 31, 2017.

Our office completed the first audit of the County Clerk-Recorder's implementation and performance of the SSN Truncation Program on December 11, 2013.

## **OTHER AGENCY INVOLVEMENT/IMPACT**

Clerk-Recorder.

## **BUSINESS IMPACT STATEMENT**

None.

## **FINANCIAL CONSIDERATIONS**

The Clerk-Recorder's Office had collected \$390,669 in SSN truncation fees and had a remaining cash balance of \$236,378 as of June 30, 2013.

## **RESULTS**

We verified that the \$1 fee is being collected, the collections are used only for the purpose of the program, and the fee appears sufficient to cover estimated costs of \$422,557 through December 31, 2017.

We also determined the Clerk-Recorder used due diligence to locate and truncate SSNs in the public versions of official records from January 1, 1980 through June 14, 2013. However; we found that not all records containing social security numbers had been truncated. The attached Clerk-Recorder audit report details our observations and recommendations along with the Clerk-Recorder's comments.

Performing mandated audits provides oversight and accountability, ensures compliance with County of San Luis Obispo and State of California regulations, and contributes to the County's vision of a well governed community.

#### **ATTACHMENTS**

1. County Clerk-Recorder Social Security Number Truncation Compliance Audit Report